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Decrease in the transactions of Co-operative Banks and Societies.

* 528 *Q.*—Mr. A. B. Shetty: Will the Hon. the Minister for Public Works be pleased to state—

(*a*) whether there has been a fall in the amounts of loans given by co-operative banks to societies and by societies to members, and if so, by what per cent during the last six years;

(*b*) whether banks have idle money which they are obliged to invest at small rates of interest; and

(*c*) whether there is any proposal to fix the maximum rates of interest on loans given by banks to societies and by societies to members?

A.—(*a*) The following statement gives the information:—

Year.	Loans advanced by Central banks to societies.	Loans advanced by Societies (Agricultural and non-agricultural) to members.
	RS. (In lakhs.)	RS. (In lakhs.)
1929–30	297·71	476·29
1930–31	203·90	369·05
1931–32	141·60	286·98
1932–33	73·92	297·23
1933–34	67·33	315·01
1934–35	87·10	365·32

In the case of loans advanced by central banks to societies, the figures relating to the years 1929–30 to 1931–32 represent both loan transactions and transactions in the overdraft accounts granted by the banks to societies, and the figures for the subsequent years represent loan transactions only. No separate figures for regular loan transactions are available for the years 1929–30 to 1931–32 and the percentage of fall in the year 1934–35 as compared with the year 1929–30 cannot therefore be worked out on an uniform basis. The percentage of fall in the loans given by societies (agricultural and non-agricultural) to members during the last six years is 23·3.

(*b*) No.

(*c*) The attention of the hon. Member is invited to the answer to clause (*b*) of question No. 259 given at the meeting of the Legislative Council held on 29th October 1935. No maximum rates of interest have been prescribed in respect of fresh loans advanced by central banks and societies. The rates on new loans do not, however, exceed the maximum for old loans. The maximum rates suggested in respect of all outstanding loans are given below:—

Central banks	6½	per cent per annum.
Societies	7½	do. do.

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Mr. P. V. Krishnayya Choudari:—"May I ask the Hon. Minister whether the Government are prepared to advice the central banks to reduce the rate of interest?"

The Hon. Mr. P. T. Rajan:—"The rates have been reduced to the extent it is possible."

Mr. P. V. Krishnayya Choudari:—"Will the Hon. Minister permit the local bodies to deposit their moneys as before?"

The Hon. Mr. P. T. Rajan:—"That is a matter for the local boards concerned to decide."

Diwan Bahadur C. S. Ratnasabhapati Mudaliyar:—"May I know if the central banks advancing loans to the other banks are charging the maximum rate of interest?"

The Hon. Mr. P. T. Rajan:—"I have no information."

Mr. K. A. Nachiyappa Gounder:—"May I ask, Sir, whether the restrictions placed on the local bodies in the matter of placing their moneys in the district banks as deposits, are not conducive to the interests of these banks, and if so, whether the Hon. Minister will reintroduce the old system?"

The Hon. Mr. P. T. Rajan:—"I do not think the restriction affects the bank's interests adversely; but there is no objection to local bodies investing their funds elsewhere."

Mr. K. A. Nachiyappa Gounder:—"Will the Hon. Minister see, Sir, that the existing restrictions are taken away in the interests of the banks?"

The Hon. Mr. P. T. Rajan:—"If by taking deposits from the local bodies the central banks do not stand to lose, there can be no objection."

Mr. P. V. Krishnayya Choudari:—"May I ask the Hon. Minister whether there is not a Government Order which says that the local bodies should not deposit more than a particular amount in the central banks?"

The Hon. Mr. P. T. Rajan:—"I am aware of it."

Registration

Extension of the photo-stat system of copying documents.

* 529 *Q.*—Mr. M. B. Rangaswami Reddi: Will the Hon. the Minister for Public Works be pleased to state—

(*a*) in how many districts the photo-taking system instead of copying the documents, has been put into operation till now in the Registration Department;

(*b*) whether the introduction of the above system of registering documents is less expensive than the present system of copying; if so, what the percentage is of saving in the districts where the system is in operation;